

Idaho Legislative Audits  
P.O. Box 83720  
Boise, ID 83720-0054  
208-334-2475



## Idaho State Horse Board

### Management Report on Internal Control

Issued: June 30, 2005  
Fiscal Year: 2003 and 2004



## ***EXECUTIVE SUMMARY LEGISLATIVE AUDITS***

---

### **IDAHO HORSE BOARD**

---

**PURPOSE AND SCOPE.** We have audited the financial statements of the Idaho Horse Board for the fiscal years ended June 30, 2003 and 2004, in accordance with auditing standards generally accepted in the United States of America. The purpose of our audit is to determine whether the Board's financial statements are materially accurate and reliable, and that the Board complied with laws and regulations affecting fiscal operations.

**CONCLUSION.** We conclude that the Board's financial statements are materially accurate and reliable, and fiscal operations materially comply with related laws and regulations. As a result, we issued an unqualified opinion on the Board's financial statements.

**FINDINGS AND RECOMMENDATIONS.** There are no findings and recommendations in this report, nor were there any findings and recommendations in the prior report.

**AGENCY RESPONSE.** The Board has reviewed the report and is in general agreement with its contents.

**FINANCIAL SUMMARY.** The Board is funded primarily by a \$1.00 fee assessed for each horse inspected by the State Brand Board. The fees are remitted monthly to the Horse Board by the State Brand Board, less 10% for collection services. During fiscal years 2001 through 2003, the fee assessment was increased from \$1.00 per horse to \$3.00 per horse. A referendum that would have required approval of horse owners to continue the \$3.00 fee assessment failed; therefore, the fee reverted to the \$1.00 per horse assessment in fiscal year 2004.

#### **IDAHO HORSE BOARD – FINANCIAL STATEMENTS**

	June 30, 2003 Special Revenue Fund	June 30, 2004 Special Revenue Fund
ASSETS		
Cash	\$27,767	\$38,275
Receivables	5,441	2,505
Total Assets	<u>\$33,208</u>	<u>\$40,780</u>
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts Payable	\$3,500	\$3,000
Total Liabilities	<u>\$3,500</u>	<u>\$3,000</u>
Fund Balance:		
Unreserved and Undesignated Fund Balance	\$29,708	\$37,780
Total Liabilities and Fund Balance	<u>\$33,208</u>	<u>\$40,780</u>

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**

	FY 2003 Special Revenue Fund	FY 2004 Special Revenue Fund
REVENUES		
Brand Inspection Assessment	\$52,185	\$38,315
Interest Income	72	26
Total Revenues	<u>\$52,257</u>	<u>\$38,341</u>
EXPENDITURES		
Administration	\$10,792	\$14,010
Grants	37,849	16,259
Total Expenditures	<u>\$48,641</u>	<u>\$30,269</u>
Excess (Deficiency) of Revenues		
Over Expenditures	\$3,616	\$8,072
Beginning Fund Balance	26,092	29,708
Ending Fund Balance	<u><u>\$29,708</u></u>	<u><u>\$37,780</u></u>

**OTHER ISSUES.** We discussed other, less important issues which, if changed, would improve internal control, ensure compliance, or improve efficiency.

This report is intended solely for the information and use of the Idaho Horse Board and the Idaho Legislature and is not intended to be, and should not be, used by anyone other than these specified parties.

We thank the director, Forrest Hymas, and his secretary for their assistance and cooperation given to us during this audit.

**QUESTIONS CONCERNING THIS AUDIT SHOULD BE DIRECTED TO:**

Ray Ineck, CGFM, Supervisor, Legislative Audits  
Eugene Sparks, CPA, CGFM, Managing Auditor

Report OP85804

For a copy of the entire audit report , contact Legislative Services Office, Audit Division, State Capitol Building, 700 W. Jefferson Street, P.O. Box 83720, Boise, Idaho 83720-0054, or call 208-334-3540.